

Thermal Renewable Energy Credits (T-RECs)

Clean Energy Transformation Act Rulemaking

Peter Moulton

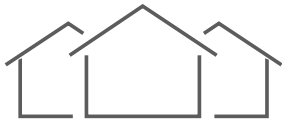
SENIOR ENERGY POLICY SPECIALIST

03/27/2020

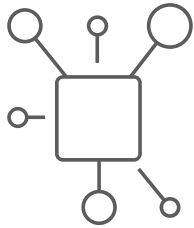


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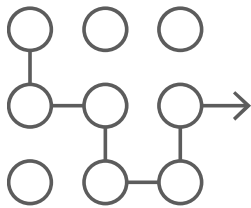
INFRASTRUCTURE



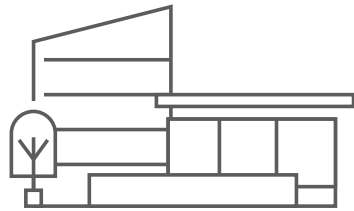
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Formal rulemaking process

CR-101

- Preproposal Notice (CR-101)

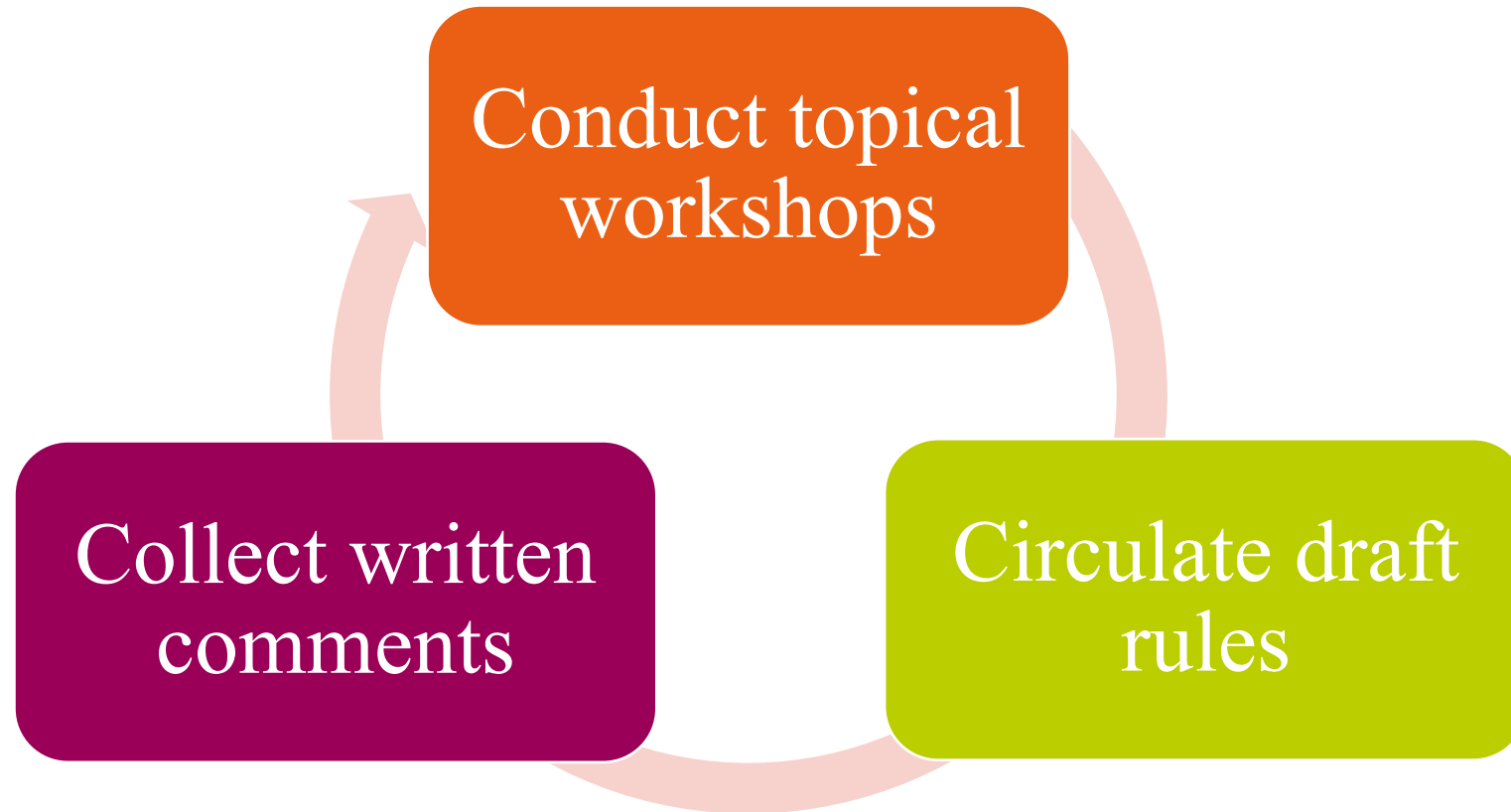
CR-102

- Proposed Rule (CR-102)
- Public Hearing and Opportunity for Written Comment

CR-103

- Rule Adoption (CR-103)
- Concise Explanatory Statement

Actual iterative rulemaking process



CETA Rulemaking Milestones

- May 7, 2019 – Effective date of legislation
- July 17, 2019 – CR-101 published in state register
- July 30, 2019 – Initial rulemaking workshop
- Informal process for early rules
- December 31, 2019 – Adoption of early rules
- More informal process
- December 31, 2020 – Deadline to adopt most rules
- December 31, 2021 – Deadline to adopt cumulative impact rule
- June 30, 2022 – Deadline to adopt electricity market rules

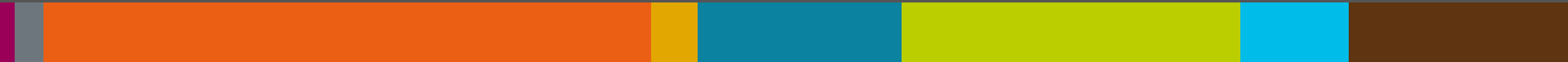
T-REC Rulemaking Milestones

- March 27, 2020 – Rulemaking workshop
- March 30, 2020 – Comment period opens
- April 10, 2020 – Comment period closes
- April 20, 2020 – Webinar on final proposal
- TBD, 2020 – Rules adopted

Overview of WECC and WREGIS

Presented by Glenn Blackmon

Washington Department of Commerce



Western Renewable Energy Generation Information System

- <https://www.wecc.org/Administrative/WREGIS%20Frequently%20Asked%20Questions.pdf>



WREGIS Frequently Asked Questions - FAQ
July 2018

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Draft rule language

Presented by Peter Moulton

Washington Department of Commerce



Proposed Draft Rules (1 of 2)

- (1) T-RECs may be used to comply with the requirements of RCW 19.405.040 if they are created in association with the generation of qualifying thermal energy at a facility that meets the requirements of Section (3) and generated in a manner that meets the requirements of Section (4).
- (2) Qualifying thermal energy must be in the form of direct heat, steam, hot water, or other useful thermal form.
- (3) The facility must generate electricity from biomass energy as defined in 19.405.020 and must also generate thermal energy for a secondary purpose.
- (4) The thermal energy must be generated as a byproduct of the generation of electricity using biomass energy. For multiple-fuel facilities, only the portion of thermal energy that is generated from eligible biomass sources is eligible for the generation of T-RECs.

Proposed Draft Rules (2 of 2)

- (5) Thermal energy may not be used to comply with RCW 19.405.040 if: (a) It is returned to the biomass conversion device that initially created the eligible thermal resource; (b) it bypasses the electricity production device; or (c) it is generated while the electricity production equipment is out of service.
- (6) Each T-REC is equivalent to three million four hundred twelve thousand British thermal units (3.412 MMBtu) of energy used for secondary purposes.
- (7) All T-RECs are considered unbundled renewable energy credits that are sold, delivered, or purchased separately from electricity.

T-REC Rulemaking: Next Steps

- March 27, 2020 – Rulemaking workshop
- March 30, 2020 – Comment period opens
- April 10, 2020 – Comment period closes
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- TBD, 2020 – Rules adopted



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Thank You!

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